

**Department of Homeland  
Security's FY 2021  
Compliance with the  
Payment Integrity  
Information Act of 2019 and  
Executive Order 13520,  
Reducing Improper Payments**





**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

June 8, 2022

MEMORANDUM FOR: Stacy Marcott  
Acting Chief Financial Officer  
Department of Homeland Security

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V**  
Inspector General **CUFFARI**

Digitally signed by JOSEPH  
V CUFFARI  
Date: 2022.06.07 18:16:02  
-04'00'

SUBJECT: *Department of Homeland Security's FY 2021  
Compliance with the Payment Integrity Information Act  
of 2019 and Executive Order 13520, Reducing Improper  
Payments*

Attached for your action is our final report, *Department of Homeland Security's FY 2021 Compliance with the Payment Integrity Information Act of 2019 and Executive Order 13520, Reducing Improper Payments*. We incorporated the formal comments provided by your office.

The report contains two recommendations aimed at improving DHS' efforts to prevent and reduce improper and unknown payments. Your office concurred with both recommendations. Based on information provided in your response to the draft report, we consider the recommendations open and resolved. Once your office has fully implemented the recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendations. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions and the disposition of any monetary amounts.

Please send your response or closure request to  
[OIGAuditsFollowup@oig.dhs.gov](mailto:OIGAuditsFollowup@oig.dhs.gov).

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits, at (202) 981-6000.



# DHS OIG HIGHLIGHTS

## Department of Homeland Security's FY 2021 Compliance with the Payment Integrity Information Act of 2019 and Executive Order 13520, Reducing Improper Payments

June 08, 2022

### Why We Did This Audit

Our objective was to determine whether DHS complied with PIIA and Executive Order 13520, *Reducing Improper Payments* (November 20, 2009), in fiscal year 2021. We also evaluated the accuracy and completeness of DHS' payment integrity reporting.

### What We Recommend

We made two recommendations that, when implemented, should improve DHS' compliance with PIIA.

#### For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)

### What We Found

The Department of Homeland Security did not comply with the *Payment Integrity Information Act of 2019* (PIIA) in fiscal year 2021. Two Federal Emergency Management Agency (FEMA) programs did not meet PIIA's requirement that a program's combined rate of improper and unknown payments must be less than 10 percent. Improper payments are payments made to the wrong parties or for the wrong amounts; unknown payments are made without sufficient supporting documentation.

We found that DHS' categorizations of payments as proper, improper, or unknown appear correct. Four FEMA payments we sampled had a substantial amount of documentation, but the documentation did not show how FEMA determined the payments were proper. As a result, we could not reconcile the support for the full payment amounts, but we deemed the differences immaterial.

We also found that DHS' efforts to prevent and reduce improper and unknown payments appear to be adequate.

DHS no longer meets the criteria for Executive Order 13520; as a result, we did not conduct any testing in this area.

### DHS Response

DHS concurred with both recommendations and provided corrective action plans.



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### Background

The *Payment Integrity Information Act of 2019* (PIIA),<sup>1</sup> which became law on March 2, 2020, requires agencies to identify and review all programs and activities that may be susceptible to significant improper payments based on guidance from the Office of Management and Budget (OMB). OMB also requires each agency's Office of Inspector General to review the agency's payment integrity reporting and issue an annual report on its review within 180 days of the publication of the agency's report.

According to OMB guidance (OMB Circular A-123, Appendix C, *Requirements for Payment Integrity Improvement*, revised by OMB Memorandum M-21-19, March 5, 2021) (OMB Circular A-123), all program payments fall into one of three payment categories: *proper*, *improper*, or *unknown*. A proper payment was made to the right recipient for the right amount, an improper payment was made in an incorrect amount or to the wrong recipient, and an unknown payment was made without sufficient documentation for the agency to determine whether the payment falls into the proper or improper category. Unknown payments must eventually be determined to be proper or improper, as the agency may be required to report its review results of unknown payments in future years.

OMB Circular A-123 also requires agencies to conduct an improper payment risk assessment at least once every 3 years for each program with annual outlays greater than \$10 million to determine whether the program is likely to make improper payments and unknown payments that would total more or less than the statutory threshold.<sup>2</sup> The program is responsible for producing a statistically valid estimate of improper payments and unknown payments that is accurate and appropriate given program characteristics. Any program reporting improper payment and unknown payment estimates that, combined, exceed the statutory threshold must put in place and annually report on a corrective action plan for reducing such payments and preventing them in the future. In addition, the agency is responsible for publishing any applicable payment integrity information<sup>3</sup> in its annual financial statement.

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<sup>1</sup> PIIA (Public Law 116-117) repealed the *Improper Payments Information Act of 2002* (Public Law 107-300), the *Improper Payments Elimination and Recovery Act of 2010* (Public Law 114-204), and the *Improper Payments Elimination and Recovery Improvement Act of 2012* (Public Law 112-248).

<sup>2</sup> OMB Circular A-123 defines the statutory threshold as either \$100 million or 1.5 percent of program outlays plus \$10 million of all program payments made during the fiscal year.

<sup>3</sup> OMB Circular A-123 defines payment integrity as the process of ensuring that a payment is proper.



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In fiscal year 2021, the Department of Homeland Security conducted risk assessments for 42 programs (with FY 2020 disbursements totaling \$65 billion) out of its 164 programs (with FY 2020 disbursements totaling \$121 billion). DHS determined that 12 programs were susceptible to significant improper payments. The Department also conducted payment integrity testing for these programs and obtained a statistically valid estimate of improper payments and unknown payments during FY 2021.

Executive Order 13520, *Reducing Improper Payments* (November 20, 2009), requires the head of each agency to report, at least quarterly, to the Council of the Inspectors General for Integrity and Efficiency on any high-dollar improper payments identified by the agency. However, OMB Circular A-123 redefined this requirement; agencies must now provide quarterly reports on high-priority<sup>4</sup> programs that have improper payments resulting in monetary losses of at least \$100 million per year. Because DHS does not have high-priority programs, we did not conduct any testing in this area.

### Results of Audit

#### DHS Did Not Comply with PIIA

According to OMB Circular A-123, an agency must meet all 10 of PIIA's requirements to be compliant. As required by OMB, Appendix B contains a table summarizing DHS' compliance with the PIIA requirements. DHS did not meet the requirement that a program's combined rate of improper and unknown payments must be less than 10 percent.

Two Federal Emergency Management Agency (FEMA) programs, Disaster Case Management (DCM) Disaster Supplemental Funding and Urban Search and Rescue (US&R) Disaster Supplemental Funding, had combined improper payment and unknown payment rates that exceeded 10 percent in FY 2021 (see Table 1 on the next page).

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<sup>4</sup>High-priority programs are defined as all programs with improper payments resulting in monetary loss that exceeds \$100 million annually. OMB may determine that a program is high-priority for reasons other than exceeding this threshold. If this occurs, OMB will notify the agency.



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**Table 1. Improper Payment and Unknown Payment Rates for DCM and US&R Programs**

<b>FEMA Program</b>	<b>Improper Payment Rate</b>	<b>Unknown Payment Rate</b>	<b>Total</b>
DCM	0%	19.23%	19.23%
US&R	13.53%	5.16%	18.70%*

Source: DHS OIG analysis of the FY 2021 DHS *Agency Financial Report* (AFR)

\*Number rounded, as reported in the FY 2021 DHS AFR

The DCM and US&R programs also did not achieve FEMA’s tolerable<sup>5</sup> improper payment and unknown payment rate of 2.5 percent. Appendix C provides the improper payment and unknown payment rates for all 12 programs tested during the FY 2021 reporting cycle.

In its FY 2021 *Agency Financial Report* (AFR), DHS identified insufficient documentation as the primary cause of improper and unknown payments for the two programs. DHS attributed the insufficient documentation in the DCM program to deficiencies in regional internal processes and documentation, and the insufficient documentation in the US&R program to deficiencies in documentation collection, labor rate recognition, and labor rate review and validation processes. According to FEMA, some corrective actions have been implemented, but improvements to forms, templates, and instructions for processes and procedures have not been completed.

High rates of improper and unknown payments signal a significantly high risk for fraud, waste, and abuse. In addition, DHS is subject to additional OMB reporting requirements when it does not comply with PIIA.

**DHS Payment Categorizations Appear Correct**

As previously stated, OMB Circular A-123 defines three categories for payments: proper, improper, and unknown.

We tested a random sample of 45 payments from FEMA’s DCM program and 45 payments from the United States Coast Guard’s Aviation Logistics Center (ALC) program to determine whether the components had categorized the

<sup>5</sup> The tolerable improper payment and unknown payment rate for a program is determined by an agency’s senior management. This rate often includes improper payments that are unavoidable and beyond the agency’s ability to reduce as well as improper and unknown payments that would be cost- or mission-prohibitive for the agency to prevent.



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payments correctly. We selected these two programs because they had the highest and lowest combined improper payment and unknown payment rates — 19.23 percent for DCM and 0.00 percent for ALC — reported in DHS’ FY 2021 AFR.

Both the ALC and DCM payments appeared to have been categorized correctly. Four DCM payments from our sample had a substantial amount of supporting documentation, but the documentation had no evidence of review or audit trail references to show how FEMA’s testing had determined the payments were proper. As a result, we could not reconcile the supporting documentation to the full payment amounts, but we deemed these unsupported differences immaterial.

Undefined documentation requirements and non-standardized documentation collection impede DHS’ ability to ensure payments are proper. Our testing results substantiate FEMA’s payment documentation issues identified in DHS’ FY 2021 AFR.

### **DHS’ Efforts to Reduce Improper Payments and Unknown Payments Appear Adequate**

Based on our review, DHS’ oversight controls over its components’ risk assessments, program identification templates, and improper payment testing results appear adequate. Additionally, we determined that DHS disbursement data was sufficiently reliable to support our conclusions. Based on our sampled review of program risk assessments, the DHS components provided relevant and complete responses to support its risk assessment scores. In addition, DHS developed statistically valid samples and estimation plans, and its improper payment and unknown payment reporting in the AFR was consistent with component test results. Furthermore, DHS’ corrective action plans comply with OMB Circular A-123 requirements, and its efforts to prevent and reduce improper payments and unknown payments appear adequate.

## **Recommendations**

**Recommendation 1:** We recommend the DHS Chief Financial Officer comply with the PIIA requirement to report an improper payment and unknown payment estimate of less than 10 percent for each program for which an estimate was published in the materials accompanying the annual financial statement by ensuring that FEMA continues to enhance internal control procedures over the Disaster Case Management and Urban Search & Rescue programs by:



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- a. developing and implementing policies and procedures for establishing and defining documentation requirements;
- b. providing appropriate training to personnel responsible for developing and operating internal controls;
- c. ensuring the implementation and operating effectiveness of policies and procedures over labor rate review and payment processing; and
- d. reviewing unknown payments to determine whether they are proper or improper and reporting the review results in future years as required by OMB Circular A-123.

**Recommendation 2:** We recommend the DHS Chief Financial Officer ensure that DHS' Risk Management and Assurance Division follow OMB requirements for agencies that do not comply with PIIA, as defined in OMB Circular A-123.

### DHS Comments and OIG Analysis

DHS concurred with both recommendations, which we consider open and resolved. Appendix A contains a copy of DHS management's comments in its entirety. A summary of DHS' responses and our analysis follows.

**DHS Comments to Recommendation 1:** Concur. Since 2020, DCM program officials have implemented incremental remediation activities related to Disaster Supplemental Funding, including but not limited to creating standardized templates and checklists, conducting training regarding the application documentation and review process, developing and documenting specific metrics and thresholds of severity for disasters, and updating standard operating procedures to reflect process enhancements. In addition, since 2019, FEMA US&R program officials have taken corrective actions related to Disaster Supplemental Funding, including but not limited to coordinating with program task forces to develop and update the list of documents required in a reimbursement package, conducting internal training, and developing guidance on preparing complete reimbursement packages. Estimated Completion Date (ECD): November 30, 2022.

**OIG Analysis:** DHS provided a corrective action plan and an ECD that satisfy the intent of the recommendation. We consider this recommendation resolved, but it will remain open until DHS provides documentation to show the corrective actions have been completed.

**DHS Comments to Recommendation 2:** Concur. DHS' Risk Management and Assurance Division will describe the actions that the Department will take to come into compliance as part of the OMB's annual data call, which will be published on [paymentaccuracy.gov](https://www.paymentaccuracy.gov). DHS will also follow the OMB



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requirements for first-year noncompliance for the DCM and US&R programs related to Disaster Supplemental Funding. ECD: November 30, 2022.

**OIG Analysis:** DHS provided a corrective action plan and an ECD that satisfy the intent of the recommendation. We consider this recommendation resolved, but it will remain open until DHS provides documentation to show the corrective actions have been completed.

### Objective, Scope, and Methodology

The Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Public Law No. 107-296) by amendment to the *Inspector General Act of 1978*.

The audit objective was to determine whether DHS complied with PIIA and Executive Order 13520 in FY 2021. We also evaluated the accuracy and completeness of DHS' improper payment reporting.

To understand what is required of DHS under PIIA, and DHS policies and procedures to meet those requirements, we obtained and reviewed relevant authorities and guidance and interviewed officials in DHS' Office of the Chief Financial Officer.

We also reviewed DHS' FY 2021 AFR and supporting documentation to determine whether DHS met the following 10 PIIA requirements:

- 1.a. Did DHS publish payment integrity information with its annual financial statement?
- 1.b. Did DHS post the annual financial statement and accompanying materials on its website?
- 2.a. Did DHS conduct improper payment risk assessments for each program with annual outlays greater than \$10 million at least once in the last 3 years?
- 2.b. Did DHS adequately conclude whether the program is likely to make improper payments and unknown payments above or below the statutory threshold?
3. Did DHS publish improper payment and unknown payment estimates for programs susceptible to significant improper payments and



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unknown payments in the accompanying materials to the annual financial statement?

4. Did DHS publish corrective action plans for each program for which an estimate above the statutory threshold was published in the accompanying materials to the annual financial statement?
- 5.a. Did DHS publish an improper payment and unknown payment reduction target for each program for which an estimate above the statutory threshold was published in the accompanying materials to the annual financial statement?
- 5.b. Did DHS demonstrate improvement to payment integrity or reach a tolerable improper payment and unknown payment rate?
- 5.c. Did DHS develop a plan to meet the improper payment and unknown payment reduction target?
6. Did DHS report an improper payment and unknown payment estimate of less than 10 percent for each program for which an estimate was published in the accompanying materials to the annual financial statement?

We interviewed DHS Risk Management & Assurance Division personnel and examined their documented reviews of Improper Payment Program Identification and Risk Assessment templates to determine whether they conducted those reviews in compliance with the DHS *Improper Payment Reduction Guidebook*.

We also interviewed FEMA and Coast Guard personnel regarding their payment integrity testing procedures. We tested a random sample of 90 payments from two programs, 45 each from FEMA's Disaster Case Management Disaster Supplemental Funding and the Coast Guard's Aviation Logistics Center Disaster Supplemental Funding, to evaluate the accuracy of FEMA and Coast Guard's payment integrity testing in FY 2021. We also evaluated the accuracy of the DHS Risk Management & Assurance Division's retesting of the components' payment integrity.

We evaluated the accuracy of payment integrity information in the DHS FY 2021 AFR and on [Paymentaccuracy.gov](https://www.paymentaccuracy.gov). We also reviewed the data reliability of components' PIIA risk assessments and improper payment program identification templates, and we believe the data to be sufficiently reliable to support our audit conclusions.



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We assessed internal controls related to DHS compliance with PIIA. Because our review was limited to determining whether DHS complied with PIIA, it may not disclose all internal control deficiencies that may have existed at the time of our audit.

We conducted this audit between October 2021 and March 2022, pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.

The Office of Audits major contributors to this report are Sandra John, Director; Kendra Loper, Audit Manager; Roger Thoet, Auditor-in-Charge; David DeHaven, Auditor; Angela Fay, Auditor; John Kohler, Program Analyst; LaWandra Sheppard, Auditor; Andrew Whittom, Auditor; Muhammad Islam, Statistician; Susan Parrott, Communications Analyst; and Alfonso Dallas, Jr., Independent Referencer.



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**Appendix A**  
**DHS Comments to the Draft Report**

U.S. Department of Homeland Security  
Washington, DC 20528



May 20, 2022

MEMORANDUM FOR: Joseph V. Cuffari  
Inspector General

FROM: Jim H. Crumpacker, CIA, CFE      JIM H  
Director      CRUMPACKER      Digitally signed by JIM H  
Departmental GAO-OIG Liaison Office      Date: 2022.05.20  
10:56:41 -04'00'

SUBJECT: Management Response to Draft Report: “Department of Homeland Security’s FY 2021 Compliance with the Payment Integrity Information Act of 2019 and Executive Order 13520, Reducing Improper Payments” (Project No. 21-059-AUD-DHS)

Thank you for the opportunity to comment on this draft report. The U.S. Department of Homeland Security (DHS or the Department) appreciates the work of the Office of Inspector General (OIG) in planning and conducting its review and issuing this report.

The Department is pleased to note OIG’s recognition that DHS’s categorization of payments as proper, improper, or unknown “appear” correct, pursuant to the Office of Management and Budget (OMB) Circular A-123, Appendix C, “Requirements for Payment Integrity Improvement,” dated March 5, 2021. OIG also acknowledged DHS’s overall compliance with all but one of the categories of the “Payment Integrity Information Act of 2019” (PIIA) requirements reviewed for fiscal year (FY) 2021.

The draft report contained two recommendations with which the Department concurs. Enclosed, please find our detailed response to each recommendation. DHS previously submitted technical comments under a separate cover for OIG’s consideration.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Enclosure



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### Enclosure: Management Response to Recommendations Contained in OIG Project No. 21-059-AUD-DHS

OIG recommended that the DHS Chief Financial Officer:

**Recommendation 1:** Ensure that FEMA [Federal Emergency Management Agency] continues to enhance internal control procedures over the Disaster Case Management and Urban Search & Rescue programs by:

- a. developing and implementing policies and procedures for establishing and defining documentation requirements;
- b. providing appropriate training to personnel responsible for developing and operating internal controls;
- c. ensuring the implementation and operating effectiveness of policies and procedures over labor rate review and payment processing; and
- d. reviewing unknown payments to determine whether they are proper or improper and reporting the review results in future years as required by OMB Circular A- 123.

**Response:** Concur. Since 2020, officials within the FEMA Disaster Case Management program, solely related to the Disaster Supplemental Funding received in response to the 2017 Harvey, Irma, and Maria hurricanes, have taken action to implement corrective action plans and incremental remediation activities including, but not limited to the following process enhancements:

- Creating standardized templates and checklists;
- Scheduling and conducting training regarding the application documentation and review processes;
- Developing and documenting specific metrics and thresholds of severity for disasters; and
- Updating standard operating procedures to reflect process enhancements.

Further, since 2019, officials within the FEMA Urban Search and Rescue program, solely related to the Disaster Supplemental Funding received in response to the 2017 Harvey, Irma, and Maria hurricanes, have taken action to implement incremental remediation activities. During FY 2021 alone, the Urban Search and Rescue program completed the following corrective actions:



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#### Immediate Improper Payment Risk Mitigation Efforts:

- Created a list of documents required in a Reimbursement Package, as well as a list of additional documents that are strongly encouraged to be provided on an as-needed basis.
- Conducted internal training on an as-needed basis (i.e., for new team members upon joining the team).

#### Process Enhancements:

- Coordinated with the Task Forces within the FEMA Urban Search and Rescue program through monthly brown bag sessions to discuss the: (1) required Reimbursement Package documents; (2) “strongly encouraged” Reimbursement Package documents; and (3) updates made to the process in order to obtain feedback.
- Incorporated feedback from Task Forces, as appropriate, to finalize the list of required and “strongly encouraged” Reimbursement Package documents, as well as related processes.
- Developed training materials that contained guidance on preparing complete Reimbursement Packages and completing Individual Workbook requirements.
- Developed internal initial training, “Intro to US&R File Review,” for new reviewers as well as a recurring training, “Reimbursement Claim Review,” for existing reviewers. Trainings are aimed at providing the Urban Search and Rescue program office staff guidance and clarification regarding documentation requirements when reviewing and processing a Task Force reimbursement claim. Staff training specific to corrective action regarding documentation deficiencies started formally in May 2021.
- Conducted trainings for Task Force personnel using the aforementioned training materials, as appropriate, as well as conducting internal trainings on an as-needed basis (i.e., for new team members upon joining the team).

In order to provide enhanced oversight, the FEMA Chief Financial Officer will continue to utilize an assigned remediation lead to track and ensure the resolution of identified deficiencies, and will provide information on the status of actions taken to reduce and eliminate improper payments to the DHS Office of the Chief Financial Officer (OCFO), Risk Management and Assurance Division (RM&A).

Estimated Completion Date (ECD): November 30, 2022.



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**Recommendation 2:** Ensure that DHS' Risk Management and Assurance Division follows OMB requirements for agencies that do not comply with PIIA, as defined in OMB Circular A-123.

**Response:** Concur. Pursuant with Appendix C of OMB Circular A-123, for each program noted as non-compliant by the OIG, DHS OCFO RM&A will describe the actions that the agency will take to come into compliance as part of the OMB Annual Data Call. This information will be published on [PaymentAccuracy.gov](https://www.paymentaccuracy.gov) and will serve as the plan that agencies must submit to the appropriate authorizing and appropriations committees of Congress.

As Appendix C of OMB Circular A-123 required that the OIG review of the accompanying materials to the FY 2021 annual financial statement be considered year one of a PIIA compliance review, DHS will follow the OMB requirements for first year non-compliance for both the FEMA Disaster Case Management and the Urban Search and Rescue programs solely related to the Disaster Supplemental Funding received in response to the 2017 Harvey, Irma, and Maria hurricanes.

ECD: November 30, 2022.



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**Appendix B**  
**DHS PIIA Compliance Reporting Table, FY 2021**

	Published payment integrity information with the annual financial statement	Posted the annual financial statement and accompanying materials on the agency website	Conducted IP risk assessments	Adequately concluded whether the program is likely to make IPs and UPs above or below the statutory threshold.	Published IP and UP estimates for programs susceptible to significant IPs in the accompanying materials to the annual financial statement	Published corrective action plans	Published IP and UP reduction target	Has demonstrated improvements to payment integrity or reached a tolerable IP and UP rate	Has developed a plan to meet the IP and UP reduction target	Reported an IP and UP estimate of less than 10%
Countering Weapons of Mass Destruction	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
U.S. Customs and Border Protection	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	Yes
Cybersecurity and Infrastructure Security Agency	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
Federal Emergency Management Agency (FEMA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Federal Law Enforcement Training Centers	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
U.S. Immigration and Customs Enforcement	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
Management Directorate	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	Yes	N/A
Science and Technology Directorate	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transportation Security Administration	N/A	N/A	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
U.S. Citizenship and Immigration Services	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
United States Secret Service	N/A	N/A	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A
United States Coast Guard	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	N/A	Yes

Source: DHS OIG analysis of the FY 2021 DHS AFR and its accompanying support

N/A = Programs for which certain requirements are not applicable.



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**Appendix C**  
**FY 2021 Program Improper Payment (IP) and Unknown Payment (UP) Rates**

Component	Program	IP Rate	UP Rate	IP + UP Rate
U.S. Customs and Border Protection	Operations & Support-Disaster Supplemental Funding	8.60%	0.10%	8.71%*
FEMA	Commercial Bills of Lading – Disaster Supplemental Funding	3.54%	0.04%	3.58%
	Disaster Case Management – Disaster Supplemental Funding	0.00%	19.23%	19.23%
	Disaster Relief Fund – Individuals and Household Program – Disaster Supplemental Funding	3.87%	0.96%	4.83%
	Payroll – Disaster Supplemental Funding	2.95%	0.50%	3.45%
	Public Assistance – Disaster Supplemental Funding	1.53%	5.45%	6.98%
	Travel – Disaster Supplemental Funding	0.16%	0.41%	0.58%*
	Urban Search and Rescue – Disaster Supplemental Funding	13.53%	5.16%	18.7%*
OIG	Audits, Inspections & Investigations - Disaster Supplemental Funding	2.15%	0.00%	2.15%
United States Coast Guard	Aviation Logistics Center – Disaster Supplemental Funding	0.00%	0.00%	0.00%
	Operations and Support – Disaster Supplemental Funding	0.01%	0.96%	0.97%
	Procurement, Construction, & Improvement – Disaster Supplemental Funding	0.04%	0.31%	0.36%*

Source: DHS OIG analysis of the FY 2021 DHS AFR

Notes:

1. To maintain independence throughout the audit, DHS OIG did not evaluate any work pertaining to OIG programs.
2. \* indicates minor change in reported improper payment and unknown payment rate due to rounding.



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**Appendix D**  
**Report Distribution**

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